



**Written Testimony of the
American Association of University Women**

for the

**United States House of Representatives Committee on Ways and Means
Subcommittee on Human Resources**

Hearing on

“Improving Work and Other Welfare Goals”

September 8, 2010

Chairman Davis and members of the Subcommittee, thank you for the opportunity to submit testimony for the hearing “Improving Work and Other Welfare Goals.”

Founded in 1881, the American Association of University Women (AAUW) is a membership organization with approximately 100,000 members and donors, 1,000 branches, and 500 college and university institution partners nationwide. AAUW has a proud 130-year history of breaking through barriers for women and girls, and has always been a strong supporter of public education. Today, AAUW continues its mission through advocacy, education, philanthropy, and research.

AAUW believes increased access to education and training programs are necessary for poor women to become self-sufficient, attain jobs that pay a living wage, and move permanently off welfare. AAUW’s 2011-2013 Public Policy Program affirms AAUW’s commitment to supporting economic self-sufficiency for all women and advocates “strengthening programs, including welfare and vocational education, to improve postsecondary education access, career development and earning potential.”¹

The economic recession and its slow recovery have left millions of families financially insecure. While the number of families receiving food stamps in 2010 increased by nearly 15 percent, the number of families on welfare or Temporary Assistance for Needy Families (TANF) only increased by 1 percent over the same time.² Americans need help, but our safety net is failing to meet their needs and provide for a viable pathway out of poverty.³ TANF is a vital part of that safety net, but since its creation it has been doing a poor job of helping families. Caseload numbers were decreasing prior to the recession, because fewer eligible families were receiving assistance.⁴ Support to families and poor children is lacking, doing little to reduce child poverty.⁵

Furthermore, TANF's "work first" goals have resulted in very little job training or education contributing to our economy's persistent skills gap.

Increasing Education Levels is Key to Moving Families out of Poverty

AAUW supports policies which provide long-term solutions to economic inequity, such as providing women and girls with unrestricted access to education and job training. Statistics show that educational access is closely linked to economic security. Education and training improve employability by helping women and their families become financially empowered and economically self-sufficient.

According to a U.S. Department of Labor Women's Bureau report, "[t]he higher a person's educational attainment, the more likely they will be a labor force participant."⁶ This Women's Bureau study also reported labor force participation rates by educational attainment for women age 25 years and over:

- less than a high school diploma—34 percent
- high school diploma—53 percent
- some college, no degree—62 percent
- associate's degree—72 percent
- bachelor's degree or higher—73 percent.⁷

Moreover, for a TANF recipient with basic skills equal to a high school diploma, an additional 200 hours of education and training (the equivalent of a semester's worth of courses) could lead to jobs that pay \$5,000 to \$10,000 more per year.⁸ With at least one year of postsecondary education, poverty declines from 28 percent to 9 percent for women.⁹ Finally, completion of a college degree can dramatically improve outcomes for families on welfare. Weekly earnings for women without a high school diploma are less than half of those with a college degree.¹⁰ Adjusted for inflation, earnings for women with a college degree have increased by 33 percent since 1979. Women without a high school diploma have experienced a decline in inflation-adjusted earnings of the same period.¹¹

Since welfare reform began in the 1990's, culminating in the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996, the elevation of "work first" strategies has meant that fewer and fewer individuals can successfully enroll in education while receiving public assistance. The National Bureau of Economic Research has found that welfare reform has decreased the probability of both high school and college attendance among young adult women by 20-25 percent.¹² This must be remedied. The same NBER report explains that while the "work first" policies may not have been explicitly aimed at education, they nevertheless significantly affect educational acquisition. Welfare's focus on work must also include training and education to fix current problems.

Welfare Reauthorization

Reauthorization of TANF in 2005 did little to open doors for training and education that lead to sustainable careers for women on welfare. Although regulations promulgated by the U.S. Department of Health and Human Services in 2006 opened the door for more types of education

to count toward work participation rate requirements and permitted some unsupervised homework time to be counted toward those time thresholds, more needs to be done to ensure that individuals are encouraged to pursue higher education, vocational education, and job training.

AAUW continues to advocate for a greater recognition of the role education has in increasing women's self-sufficiency and decreasing reliance on public aid and will continue to urge Congress to make important changes in the way education is regarded in TANF. AAUW supports the position that post-secondary education should continue to be included as training and that the 12-month limit on vocational educational training should be increased to 24 months. In addition, states should again be able to apply for waivers so that programs that work by expanding educational opportunities, such as Maine's Parents as Scholars program, can receive funds.

AAUW strongly believes that welfare programs should be flexible to allow the highest level of education possible, because advanced degrees are more likely to promote self-sufficiency and help ensure that women are not locked into low-wage jobs. As welfare reform proposals are considered in Congress, AAUW will continue to push to increase education and job training programs for women.

Thank you for the opportunity to submit testimony.

¹ American Association of University Women. (June 2011). *2011-13 AAUW Public Policy Program*. Retrieved August 1, 2011, from www.aauw.org/advocacy/issue_advocacy/principles_priorities.cfm.

² Legal Momentum. (July 2011). 2010: TANF and Food Stamps. Retrieved September 20, 2011, from www.legalmomentum.org/our-work/women-and-poverty/resources--publications/2010-food-stamps-tanf.html.

³ Center on Budget and Policy Priorities. (July 14, 2011). TANF's Inadequate Response to Recession Highlights Weakness of Block-Grant Structure. Retrieved August 15, 2011 from www.cbpp.org/files/7-14-11tanf.pdf.

⁴ Ibid.

⁵ Legal Momentum. (May 14, 2009). Advocate For An Improved Safety Net For Women And Children. Retrieved September 21, 2011, from www.legalmomentum.org/assets/pdfs/lm-tanf-one-pager.pdf.

⁶ U.S. Department of Labor, Women's Bureau. (2011). *Quick Stats on Women Workers, 2010*. Retrieved August 13, 2011, from www.dol.gov/wb/factsheets/QS-womenwork2010.htm.

⁷ Ibid.

⁸ The College Board. (2001). *Trends in College Pricing*. Washington, DC.

⁹ U.S. Census Bureau. 2005-2009 American Community Survey, S1501. Educational Attainment. Retrieved September 21, 2011, from factfinder.census.gov/servlet/STTable?_bm=y&-geo_id=01000US&-qr_name=ACS_2009_5YR_G00_S1501&-ds_name=ACS_2009_5YR_G00_&-redoLog=false.

¹⁰ U.S. Department of Labor. (July 2011). Highlights of Women's Earnings in 2010. Retrieved August 1, 2011, from www.bls.gov/cps/cpswom2010.pdf.

¹¹ Ibid.

¹² NBER. Welfare Reform Has Led to More Work but Less Education. Retrieved September 22, 2011, from www.nber.org/digest/jan09/w14466.html.